

Senate Amendment 5385

PAG LIN

1 1 Amend Senate File 2386, as passed by the Senate, as
1 2 follows:
1 3 #1. Page 1, by striking lines 20 and 21 and
1 4 inserting the following:
1 5 <g. Three individuals representing gas and
1 6 electric public utilities within this state, comprised
1 7 of one individual representing rural electric
1 8 cooperatives, one individual representing municipal
1 9 utilities, and one individual representing
1 10 investor-owned utilities.>
1 11 #2. Page 4, by inserting after line 11 following:
1 12 <Sec. ____ Section 476.6, subsection 16, Code
1 13 Supplement 2007, is amended by adding the following
1 14 new paragraphs:
1 15 NEW PARAGRAPH. bb. (1) Gas and electric
1 16 utilities that are not required to be rate-regulated
1 17 under this chapter shall assess maximum potential
1 18 energy and capacity savings available from actual and
1 19 projected customer usage through cost-effective energy
1 20 efficiency measures and programs, taking into
1 21 consideration the utility service area's historic
1 22 energy load, projected demand, customer base, and
1 23 other relevant factors. Each utility shall establish
1 24 an energy efficiency goal based upon this assessment
1 25 of potential and shall establish cost-effective energy
1 26 efficiency programs designed to meet the energy
1 27 efficiency goal. Separate goals may be established
1 28 for various customer groupings.
1 29 (2) Energy efficiency programs shall include
1 30 efficiency improvements to a utility infrastructure
1 31 and system and activities conducted by a utility
1 32 intended to enable or encourage customers to increase
1 33 the amount of heat, light, cooling, motive power, or
1 34 other forms of work performed per unit of energy used.
1 35 In the case of a municipal utility, for purposes of
1 36 this paragraph, other utilities and departments of the
1 37 municipal utility shall be considered customers to the
1 38 same extent that such utilities and departments would
1 39 be considered customers if served by an electric or
1 40 gas utility that is not a municipal utility. Energy
1 41 efficiency programs include activities which lessen
1 42 the amount of heating, cooling, or other forms of work
1 43 which must be performed, including but not limited to
1 44 energy studies or audits, general information,
1 45 financial assistance, direct rebates to customers or
1 46 vendors of energy-efficient products, research
1 47 projects, direct installation by the utility of
1 48 energy-efficient equipment, direct and indirect load
1 49 control, time-of-use rates, tree planting programs,
1 50 educational programs, and hot water insulation
2 1 distribution programs.
2 2 (3) Each utility shall commence the process of
2 3 determining its cost-effective energy efficiency goal
2 4 on or before July 1, 2008, shall provide a progress
2 5 report to the board on or before January 1, 2009, and
2 6 complete the process and submit a final report to the
2 7 board on or before January 1, 2010. The report shall
2 8 include the utility's cost-effective energy efficiency
2 9 goal, and for each measure utilized by the utility in
2 10 meeting the goal, the measure's description, projected
2 11 costs, and the analysis of its cost-effectiveness.
2 12 Each utility or group of utilities shall evaluate
2 13 cost-effectiveness using the cost-effectiveness tests
2 14 in accordance with section 476.6, subsection 14.
2 15 Individual utilities or groups of utilities may
2 16 collaborate in conducting the studies required
2 17 hereunder and may file a joint report or reports with
2 18 the board. However, the board may require individual
2 19 information from any utility, even if it participates
2 20 in a joint report.
2 21 (4) On January 1 of each even-numbered year,
2 22 commencing January 1, 2012, gas and electric utilities
2 23 that are not required to be rate-regulated shall file
2 24 a report with the board identifying their progress in

2 25 meeting the energy efficiency goal and any updates or
2 26 amendments to their energy efficiency plans and goals.
2 27 Filings made pursuant to this paragraph "bb" shall be
2 28 deemed to meet the filing requirements of section
2 29 476.1A, subsection 7, and section 476.1B, subsection
2 30 1, paragraph "1".

2 31 NEW PARAGRAPH. bbb. (1) The board shall evaluate
2 32 the reports required to be filed pursuant to paragraph
2 33 "b" by gas and electric utilities required to be
2 34 rate-regulated, and shall submit a report summarizing
2 35 the evaluation to the general assembly on or before
2 36 January 1, 2009.

2 37 (2) The board shall evaluate the reports required
2 38 to be filed pursuant to paragraph "bb" by gas and
2 39 electric utilities that are not required to be
2 40 rate-regulated, and shall submit a report summarizing
2 41 the evaluation to the general assembly on or before
2 42 January 1, 2011.

2 43 (3) The reports submitted by the board to the
2 44 general assembly pursuant to this paragraph "bbb"
2 45 shall include the goals established by each of the
2 46 utilities. The reports shall also include the
2 47 projected costs of achieving the goals, potential rate
2 48 impacts, and a description of the programs offered and
2 49 proposed by each utility or group of utilities, and
2 50 may take into account differences in system
3 1 characteristics, including but not limited to sales to
3 2 various customer classes, age of facilities of new
3 3 large customers, and heating fuel type. The reports
3 4 may contain recommendations concerning the
3 5 achievability of certain intermediate and long-term
3 6 energy efficiency goals based upon the results of the
3 7 assessments submitted by the utilities.

3 8 Sec. ____ NEW SECTION. 476.44A TRADING OF
3 9 CREDITS.

3 10 The board may establish or participate in a program
3 11 to track, record, and verify the trading of credits
3 12 for electricity generated from alternative energy
3 13 production facilities or renewable energy sources
3 14 among electric generators, utilities, and other
3 15 interested entities, within this state and with
3 16 similar entities in other states.

3 17 Sec. ____ RENEWABLE ENERGY GENERATION ==
3 18 COST-EFFECTIVE POTENTIAL STUDY. The Iowa utility
3 19 association, in consultation with the Iowa association
3 20 of electric cooperatives and the Iowa association of
3 21 municipal utilities, shall conduct a technical study
3 22 of the potential for achieving or engaging in
3 23 renewable energy generation on a cost-effective basis
3 24 by 2025. The study shall be transmitted to the office
3 25 of energy independence by December 1, 2008, to be
3 26 submitted with the energy independence plan required
3 27 to be submitted by the office to the governor and the
3 28 general assembly by December 14, 2008.

3 29 Sec. ____ ENERGY EFFICIENCY INTERIM STUDY
3 30 COMMITTEE == CONSUMER FOCUS == REQUEST TO ESTABLISH.
3 31 The legislative council is requested to establish an
3 32 interim study committee to examine the existence and
3 33 effectiveness of energy efficiency plans and programs
3 34 implemented by gas and electric public utilities, with
3 35 an emphasis on results achieved by current plans and
3 36 programs from the demand, or customer, perspective,
3 37 and to make recommendations for additional
3 38 requirements applicable to energy efficiency plans and
3 39 programs that would improve such results. In
3 40 conducting the study and developing recommendations,
3 41 the committee shall consider testimony from the Iowa
3 42 utilities board, rate and nonrate-regulated gas and
3 43 electric utilities, the consumer advocate, state
3 44 agencies involved with energy efficiency program
3 45 administration, environmental groups and associations,
3 46 and consumers. The committee shall be composed of ten
3 47 members, representing both political parties and both
3 48 houses of the general assembly. Five members shall be
3 49 members of the senate, three of whom shall be
3 50 appointed by the majority leader of the senate and two
4 1 of whom shall be appointed by the minority leader of
4 2 the senate. The other five members shall be members
4 3 of the house of representatives, three of whom shall
4 4 be appointed by the speaker of the house of
4 5 representatives, and two of whom shall be appointed by

4 6 the minority leader of the house of representatives.
4 7 The committee shall issue a report of its
4 8 recommendations to the general assembly by January 15,
4 9 2009.
4 10 Sec. _____. EFFECTIVE DATE. This Act, being deemed
4 11 of immediate importance, takes effect upon enactment.>
4 12 #3. Title page, by striking lines 1 through 5 and
4 13 inserting the following: <An Act relating to energy
4 14 efficiency by establishing a commission on energy
4 15 efficiency standards and practices, providing for the
4 16 reporting of energy efficiency results and savings by
4 17 gas and electric public utilities, specifying
4 18 procedures for assessing potential energy and capacity
4 19 savings and developing energy efficiency goals by gas
4 20 and electric utilities not subject to rate regulation,
4 21 providing for the establishment or participation in a
4 22 program to track, record, or verify the trading of
4 23 credits for electricity generated from specified
4 24 sources, and providing for the establishment of an
4 25 interim study committee to conduct an examination of
4 26 energy efficiency plans and programs with an emphasis
4 27 on the demand or customer perspective, and providing
4 28 an effective date.>
4 29 #4. By renumbering as necessary.
4 30 SF 2386.H
4 31 rn/jg/25